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MEMORANDUM FOR: Assistant Deputy Director for  
Intelligence

SUBJECT: New York Times Report on Subversives  
in GVN Government

1. The Neil Sheehan article appearing in today's Times (copy attached as Tab A) is based on our publication ER IM 70-63, "Viet Cong Covert Agencies in South Vietnamese Territory."
2. ER IM 70-63 was published in May 1970 and 69 copies were disseminated to non-Agency recipients. This external dissemination is recapped in Tab B.
3. This Office has no information which would enable us to identify how Mr. Sheehan obtained the document or the information contained in it. Our reading of the article left us with a strong feeling that Mr. Sheehan must have had physical possession of the document because of the completeness with which his article summarized it. Moreover, the Sheehan story follows the textual sequence of our report very closely.
4. Our feeling that Mr. Sheehan had physical possession of the report is reenforced by another observer. We are informed that General Haig is the White House spokesman referred to in the article. Mr. Sheehan telephoned General Haig on Saturday to discuss the report. General Haig reported that Sheehan's comments made it so evident that he was reading from the report that there was little point in the White House denying its existence.
5. The article is generally a faithful rendering of our publication and contains most of the salient facts. It does contain a few factual errors. For

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example the first sentence of the article indicated that, "The Communists have infiltrated more than 30,000 agents..." (Italics added). In fact the publication states, "There may have been on the order of 30,000 agents...", a much less positive assertion.

6. A major flaw of the Sheehan article is that it does not include many of the caveats contained in the study. Paragraph 8, for example, pointed out that the number of hard core agents would be on the order of 10-20% or 3,000-6,000 agents. Paragraph 9 also went to some length to downgrade the importance of many of the agents. The text in paragraph 9 characterized as many as half the estimated agent total as being inept and unenthusiastic.

7. By omitting these caveats and characterizations, but including the full details of high-level agents who have been arrested, Mr. Sheehan's article gives the impression that all 30,000 are high caliber agents. Thus Mr. Sheehan's selective reporting serves only to stress the more pessimistic implications of the memorandum.

8. I have attached as Tab C a more detailed point by point comparison of the published memorandum and the Sheehan article, which specifies those remarks or comments made by Sheehan which are incorrectly attributed to our publication.

Deputy Director  
Economic Research

Attachments: (3)

1. NYT Article on "CIA Says  
Many Spies Hold Vital Posts  
in Saigon" (Tab A)
2. External Dissemination of ER IM 70-63 (Tab B)
3. Comparison of Sheehan Article and ER IM 70-63

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